

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Bob Lake, on April 2, 2007 at 9:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Bob Lake, Chairman (R)
Rep. Jill Cohenour, Vice Chairman (D)
Rep. Jon Sonju, Vice Chairman (R)
Rep. Norma Bixby (D)
Rep. Mark Blasdel (R)
Rep. Edward B. Butcher (R)
Rep. Ron Erickson (D)
Rep. Wanda Grinde (D)
Rep. Robin Hamilton (D)
Rep. Edward Hilbert (R)
Rep. Mike Jopek (D)
Rep. Carol Lambert (R)
Rep. Gary MacLaren (R)
Rep. Dave McAlpin (D)
Rep. Bill Nooney (R)
Rep. JP Pomnichowski (D)
Rep. John (Jack) W. Ross (R)
Rep. Chas Vincent (R)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: HB 833, 3/21/2007; SB 242,
3/9/2007; SB 316, 3/12/2007
Executive Action: SB 233; SB 525; SB 242; SB 121
SB 492; SB 416

HEARING ON HB 833

Opening Statement by Sponsor:

00:01:18 Rep. Wayne Stahl (R), HD 35, opened the hearing on HB 833, 20-20 tax plan -- school mills income tax credit and increase exemption amount.

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony:

00:05:57 Ed Caplis, Department of Revenue

Questions from Committee Members and Responses:

00:06:18 Rep. Jopek

00:07:13 Rep. Erickson

Closing by Sponsor:

00:08:00 Rep. Wayne Stahl

EXECUTIVE ACTION ON SB 233

00:09:12 **Motion:** Rep. Erickson moved that **SB 233 BE CONCURRED IN.**

00:13:22 **Motion:** Rep. Cohenour moved that **SB 233 BE AMENDED.**
EXHIBIT(tah70a01)

Discussion:

00:13:43 Rep. Ross

00:14:06 **Vote:** **MOTION CARRIED** unanimously by voice vote with Reps. Butcher, Lambert, Vincent and Hamilton voting by proxy.

00:14:21 **Motion:** Rep. Cohenour moved that **SB 233 BE CONCURRED IN AS AMENDED.**

Discussion:

00:14:35 Rep. Cohenour

00:15:12 Chairman Lake

00:15:34 **Vote: MOTION CARRIED** 16-2 by voice vote with Reps. Blasdel and Sonju voting no with Reps. Butcher, Lambert, Vincent and Hamilton voting by proxy. Rep. Hamilton will carry SB 233.

HEARING ON SB 316

Opening Statement by Sponsor:

00:17:20 Sen. Jim Elliott (D), SD 7, opened the hearing on SB 316, Clarify taxation of agricultural parcels reduced by public use by government.

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:19:57 Rep. Erickson

00:20:42 Rep. Ross

00:21:42 Chairman Lake

Closing by Sponsor:

00:22:18 Sen. Jim Elliott

00:22:36 Rep. Vincent arrived at hearing.

HEARING ON SB 242

Opening Statement by Sponsor:

00:22:37 Sen. Jim Elliott (D), SD 7, opened the hearing on SB 242, Revise confidentiality of tax records of publicly held corporations.

EXHIBIT(tah70a02)

EXHIBIT(tah70a03)

00:23:29 Rep. Butcher arrived at hearing.

00:31:42 Rep. Lambert returned to hearing.

Proponents' Testimony:

00:37:34 Linda Gryczan, representing League of Women Voters

00:38:26 John Barrows, Executive Director, Montana Newspaper
Association

Opponents' Testimony:

00:39:38 John Alke, Attorney, representing Montana Taxpayers
Association also speaking for Mary Whittinghill,
Montana Taxpayers Association

EXHIBIT (tah70a04)

EXHIBIT (tah70a05)

00:57:01 Jon Bennion, representing Montana Chamber of Commerce

EXHIBIT (tah70a06)

00:59:20 Holly Franz, representing Montana Society of CPAs

EXHIBIT (tah70a07)

01:01:28 Gary Forrester, representing MDU Resources

01:02:17 Steve Turkiewicz, representing Montana Bankers
Association

01:03:49 Joe Mazurek, representing D.A. Davidson Companies also
speaking for Stillwater Mining Company (Board Member)

Informational Testimony:

01:04:55 Dan Bucks, Director, Department of Revenue

Questions from Committee Members and Responses:

01:05:14 Rep. Cohenour

01:06:04 Sen. Elliott

01:11:53 Rep. Erickson

01:13:29 Dan Bucks

01:17:13 Rep. Erickson

01:17:50 Dan Bucks

01:18:58 Rep. Butcher

01:20:37 Dan Bucks

01:21:10 Rep. Butcher

01:21:35 Steve Turkiewicz

01:22:11 Rep. Butcher

01:23:05 Rep. McAlpin

01:23:23 Sen. Elliott

01:23:42 Rep. Erickson

01:24:34 Sen. Elliott

01:26:40 Rep. Erickson

Questions from Committee Members and Responses: (Con't)

01:26:58 Rep. Butcher
01:27:28 Sen. Elliott
01:29:35 Rep. Butcher
01:30:51 Sen. Elliott
01:31:33 Rep. Cohenour
01:32:17 Sen. Elliott
01:33:07 Chairman Lake
01:33:33 Rep. Cohenour
01:34:34 Sen. Elliott
01:35:11 Rep. Butcher
01:36:02 Chairman Lake
01:36:28 Dan Bucks
01:36:34 Rep. Nooney
01:37:54 John Alke

Closing by Sponsor:

01:41:40 Sen. Jim Elliott
[EXHIBIT\(tah70a08\)](#)
[EXHIBIT\(tah70a09\)](#)

EXECUTIVE ACTION ON SB 525

01:55:39 **Motion:** Rep. Cohenour moved that **SB 525 BE CONCURRED IN.**

01:55:56 **Motion:** Rep. Cohenour moved that **SB 525 BE AMENDED.**
[EXHIBIT\(tah70a10\)](#)

Discussion:

01:56:10 Jeff Martin, Legislative Services Division
01:58:02 Rep. Cohenour

01:58:26 **Vote:** **MOTION CARRIED** unanimously by voice vote with Rep. McAlpin voting by proxy.

01:58:58 **Motion/Vote:** Rep. Cohenour moved that **SB 525 BE CONCURRED IN AS AMENDED. MOTION CARRIED** unanimously by voice vote with Rep. McAlpin voting by proxy. Rep. McAlpin will carry SB 525.

EXECUTIVE ACTION ON SB 242

02:01:48 **Motion:** Rep. Erickson moved that **SB 242 BE CONCURRED IN.**

02:02:00 **Motion:** Rep. Erickson moved that **SB 242 BE AMENDED.**
EXHIBIT(tah70a11)

02:02:10 Rep. Grinde left the hearing.

Discussion:

02:02:13 Rep. Butcher
02:02:34 Rep. Erickson
02:02:43 Rep. Cohenour
02:03:42 Rep. Sonju

02:04:07 **Vote:** **MOTION CARRIED** 14-4 by voice vote with Reps.
Butcher, Hilbert, MacLaren, and Vincent voting no with
Reps. McAlpin and Grinde voting by proxy.

02:04:39 **Motion:** Rep. Cohenour moved that **SB 242 BE CONCURRED**
IN AS AMENDED.

Discussion:

02:05:12 Rep. Butcher
02:05:36 Chairman Lake

02:05:43 **Vote:** **MOTION CARRIED** 12-6 by roll call vote with Reps.
Blasdel, Butcher, Hilbert, Lambert, Ross, and Vincent
voting no and Reps. Grinde and McAlpin voting by proxy.

EXECUTIVE ACTION ON SB 121

02:07:39 **Motion:** Rep. Erickson moved that **SB 121 BE CONCURRED**
IN.

02:08:07 **Motion:** Rep. Cohenour moved that **SB 121 BE AMENDED.**
EXHIBIT(tah70a12)

Discussion:

02:08:22 Jeff Martin
02:09:50 Chairman Lake
02:11:08 Rep. Cohenour
02:14:58 Jeff Martin
02:15:16 Rep. Cohenour
02:15:22 Chairman Lake
02:15:34 Rep. Jopek
02:16:02 Rep. Cohenour
02:16:23 Chairman Lake
02:18:15 Rep. Pomnichowski
02:19:50 Rep. Cohenour

Discussion: (Con't)

02:20:42 Rep. Hilbert
02:21:16 Chairman Lake
02:21:26 Rep. Erickson

02:21:37 **Vote:** **MOTION CARRIED** 17-1 by voice vote with Rep. Pomnichowski voting no and Reps. McAlpin and Grinde voting by proxy.

02:21:59 **Motion:** Rep. Sonju moved that **SB 121 BE CONCURRED IN.**

Discussion:

02:22:44 Chairman Lake
02:23:05 Rep. Erickson
02:23:15 Jeff Martin
02:23:59 Chairman Lake

02:24:28 **Motion:** Rep. Erickson moved that **SB 121 BE AMENDED.**
EXHIBIT (tah70a13)

02:24:36 Rep. Vincent left the meeting.

Discussion:

02:24:43 Jeff Martin
02:26:51 Rep. Cohenour
02:27:30 Chairman Lake
02:28:05 Jeff Martin
02:28:17 Rep. Erickson
02:28:19 Rep. Cohenour
02:28:28 Chairman Lake
02:28:36 Jeff Martin
02:28:54 Rep. Sonju
02:29:03 Jeff Martin
02:29:10 Rep. Ross
02:29:44 Jeff Martin
02:30:25 Rep. Cohenour
02:31:07 Rep. Sonju

02:31:43 **Vote:** **MOTION CARRIED** unanimously by voice vote with Reps. Grinde, McAlpin and Vincent voting by proxy.

02:31:55 **Motion:** Rep. Sonju moved that **SB 121 BE CONCURRED IN AS AMENDED.**

Discussion:

02:32:23 Rep. Pomnichowski

02:32:50 Rep. Cohenour

02:33:03 **Vote:** **MOTION CARRIED** 17-1 by voice vote with Rep. Pomnichowski voting no and Reps. Grinde, McAlpin and Vincent voting by proxy. Rep. Lake will carry SB 121.

EXECUTIVE ACTION ON RECONSIDERING SB 492

02:33:35 **Motion:** Rep. Lambert moved to **RECONSIDER THE MOTION on SB 492.**

02:33:36 Rep. Vincent returned to hearing.

Discussion:

02:36:23 Rep. Cohenour

02:37:18 Rep. Erickson

02:37:59 Rep. Ross

02:38:23 Harold Blattie, Executive Director, Montana Association of Counties

02:39:15 Jeff Martin

02:39:58 **Vote:** **MOTION CARRIED** unanimously by voice vote with Reps. McAlpin and Grinde voting by proxy.

02:40:12 **Motion:** Rep. Lambert moved that **SB 492 BE CONCURRED IN.**

02:40:29 **Motion:** Rep. Cohenour moved that **SB 492 BE AMENDED. EXHIBIT**(tah70a14)

Discussion:

02:40:37 Rep. Lambert

02:41:10 **Vote:** **MOTION CARRIED** unanimously by voice vote with Reps. McAlpin and Grinde voting by proxy.

02:41:22 **Motion/Vote:** Rep. Lambert moved that **SB 492 BE CONCURRED IN AS AMENDED. MOTION CARRIED** unanimously by voice vote with Reps. Grinde and McAlpin voting by proxy. Rep. Lambert will carry SB 492.

EXECUTIVE ACTION ON SB 416

02:42:56 **Motion:** Rep. Erickson moved that **SB 416 BE CONCURRED IN.**

02:43:36 **Motion:** Rep. Erickson moved that **SB 416 BE AMENDED.**
EXHIBIT(tah70a15)

Discussion:

02:43:46 Jeff Martin
02:45:40 Rep. Erickson
02:45:55 Rep. Cohenour

02:46:22 **Vote:** **MOTION CARRIED** unanimously by voice vote with Reps. Grinde and McAlpin voting by proxy.

02:46:29 **Motion:** Rep. Erickson moved that **SB 416 BE CONCURRED IN AS AMENDED.**

Discussion:

02:47:15 Rep. Sonju
02:47:42 Rep. Erickson
02:48:28 Chairman Lake
02:48:47 Rep. Cohenour

02:49:50 **Vote:** **MOTION FAILED** 7-11 by roll call vote with Reps. Bixby, Cohenour, Erickson, Grinde, Hamilton, McAlpin, and Pomnichowski voting aye with Reps. Grinde and McAlpin voting by proxy.

02:50:36 **Motion/Vote:** Rep. Cohenour moved that **SB 416 BE TABLED AND THE VOTE REVERSED. MOTION CARRIED** unanimously by voice vote with Reps. Grinde and McAlpin voting by proxy.

Additional Exhibits:

EXHIBIT(tah70a16)

Pertaining to SB 242 given to committee after hearing

ADJOURNMENT

02:51:35 Adjournment 11:59 A.M.

REP. BOB LAKE, Chairman

DEBRA POLHEMUS, Secretary

BL/dp

Additional Exhibits:

EXHIBIT ([tah70aad.pdf](#))